

REPORT
OF THE
GOVERNOR AND COMMITTEE
OF THE
HUDSON'S BAY COMPANY,
TO BE
LAID BEFORE THE SHAREHOLDERS
ON TUESDAY, JUNE 28TH, 1887.

LONDON :

PRINTERS: SIR JOSEPH CAUSTON AND SONS,
9, EASTCHEAP, E.C., AND SOUTHWARK STREET, S.E.

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DIRECTORS.



Governor.

EDEN COLVILLE, Esquire.

Deputy-Governor.

THE RIGHT HON. SIR JOHN ROSE, BART., G.C.M.G.

Committee.

EDWARD WILLIAM TERRICK HAMILTON, Esquire.

THOMAS HOLDSWORTH NEWMAN, Esquire.

THOMAS R. EDRIDGE, Esquire.

SANDFORD FLEMING, Esquire, C.M.G.

SIR CHARLES RUSSELL, Q.C., M.P.

SIR DONALD A. SMITH, K.C.M.G.

Viscount ANSON.

HUDSON'S BAY COMPANY.

A GENERAL COURT of the Governor and Company of Adventurers of England trading into Hudson's Bay will be held at the City Terminus Hotel, Cannon Street, on Tuesday, the 28th instant, at Two o'clock p.m., when a Report from the Governor and Committee will be laid before the Shareholders and a Dividend will be declared.

The Transfer Books of the Company will be closed from the 17th instant, and re-opened on the 8th July.

By order of the Governor, Deputy-Governor, and Committee of the said Company,

W. ARMIT,
Secretary.

HUDSON'S BAY HOUSE,
London, June 7th, 1887.

REPORT.

The Governor and Committee in submitting to the Proprietors the Accounts of Outfit 1885, namely, from the 1st of June, 1885, to the 31st of May, 1886, are glad to report that the results of trade show a considerable improvement upon those of Outfit 1884, notwithstanding a heavy decline at the Spring Sales in the prices of Marten, Mink, Lynx, and Foxes, from those of last year, and the fact as mentioned in December last that a portion of the Returns of the Outfit had been detained at York Factory, in consequence of the loss of the Company's barque "Cam-Owen." On the other hand, Beaver and some of the other kinds of Furs imported by the Company were sold at higher prices than those of 1886, and the general trade carried on at various districts in the Northern Department has proved more remunerative than in recent years.

The profits of Outfit 1885 amount to £120,505 0s. 5d., as compared with £74,669 14s. 6d. for Outfit 1884, and a further profit of £1,470 12s. now arises from the last-mentioned Outfit, making the total Fur Trade and General Trade Profits £121,975 12s. 5d., of which the sum of £30,713 10s. 8d. is payable to the Officers in terms of the Deed Poll, yielding them £307 2s. 8d. per share, and rendering recourse to the guarantee of June, 1885, unnecessary.

With a view to the augmentation of the Fur Trade Officers' Reserve Fund, which is declared by the Deed Poll to be at the disposition of the Governor and Committee for the benefit of the Officers of the Company and their families, and the encouragement of the Officers in the performance of their duties, the following resolution is submitted for approval by the Shareholders:—

“Resolved that the Governor and Committee be empowered in their discretion to continue from time to time the guarantee of a minimum income to the Commissioned Officers at the rate of £200 a Share, after the close of Outfit 1887, and that the said guarantee be henceforth extended to unappropriated Shares from and after Outfit 1885.”

The Company's proportion of the profits of these Shares is applied to the benefit of the Fund already mentioned, and it is considered desirable that, under arrangements which will not entail on the Company other charges than the present Deed Poll allows, it should be augmented in the manner proposed.

The net profits of the Company for the year ending 31st May last amount to £85,775 1s. 9d., to which must be added £32,123 16s. 10d. carried forward from last year, making a total undivided balance of £117,898 18s. 7d., out of which the Governor and Committee recommend a Dividend of 17s. per Share, amounting to £85,000. The amount to be carried forward after the payment of the proposed Dividend is £32,898 18s. 7d.

The Company's Insurance Fund has been charged with its share of the loss arising from the wreck of the "Cam-Owen" and sundry smaller claims during the year, while the Premiums on Insurances effected by the Company have been credited to the account of the Fund, which now amounts to £47,638 18s., as compared with £48,260 2s. 2d. on the 1st of June, 1886.

The Board have recently been advised that the Report of the Commissioners appointed by the Dominion Government to examine the claims for losses sustained during the disturbance in the North-West Territory in 1885 is expected to be made during the present month. The Company's Trade Commissioner is hopeful that the bulk of their claims will soon be settled and an arrangement made by which the remainder may be adjusted at a later period of the season.

The Company's Land Account, exhibiting the cash receipts and disbursements for the year ending 31st March last, shows a credit balance at that date of £6,962 16s. It will be noticed that the expense of surveying the Company's proportion of the land set out for settlement by the Dominion Government has been exceptionally heavy this year, entailing a payment of £8,219 3s. 7d. on account of arrears due since 1882. This

payment covers a much larger area than has yet been sold by the Company. The other disbursements affecting the land in Manitoba and the North-West Territory detailed in the Land Account amount to £18,441 13s. 5d., as compared with £25,463 14s. 6d. last year, while the receipts now credited for instalments and interest are £28,666 17s. 4d., as compared with £36,388 4s. 11d. for the year ending 31st March, 1886. Careful attention has been given to the question of arrears arising from uncompleted Land Sales which were effected in 1881/2, and after full enquiry it has been considered desirable to cancel a large number of these sales, the land reverting to the Company after the forfeiture by the purchaser of the first instalment.

The Company's Land Commissioner having reported that the cancellations are now nearly at an end, the following statement has been prepared for the information of the Shareholders, showing the Town Lots and Farm Lands sold and the amounts received in each case, without reference to the forfeited payments:—

WINNIPEG:

| | Lots. | | | |
|----------------------|-------|----|-----------|-----------|
| Paid in full for 949 | .. | .. | \$771,936 | |
| „ in part „ 123 | .. | .. | 136,005 | |
| (Lots unsold 656) | | | ————— | \$907,941 |

MINOR TOWNS:

| | Lots. | | | |
|------------------------|-------|----|----------|-----------|
| Paid in full for 1,275 | .. | .. | \$74,336 | |
| „ in part „ 1,088 | .. | .. | 52,794 | |
| | | | ————— | \$126,830 |

MANITOBA AND NORTH-WEST TERRITORY:

| Farm Lands. | Acres. | | | |
|-------------------------|--------|----|-----------|-----------|
| Paid in full for 52,286 | .. | .. | \$316,144 | |
| „ „ part „ 165,816 | .. | .. | 392,315 | |
| | | | ————— | \$708,459 |

WESTERN DEPARTMENT:

| | Acres. | | | |
|------------------------------|--------|----|----------|--------------------|
| Farm Lands | 1,768 | .. | \$47,466 | |
| Town and Suburban lots | | .. | 88,494 | |
| | | | ————— | \$135,960 |
| | | | | <u>\$1,879,190</u> |
| | | | | (£375,838) |

The arrears of Instalments due in respect of the foregoing sales now amount to about \$600,000, or £120,000.

For the year ending 30th of April last, the following sales have been effected by the Company, the amounts being included in the summary already given :—

Town Lots.

| | | |
|-------------------------|----|-----------|
| Winnipeg | 10 | \$17,900 |
| Minor Towns | 26 | 2,855 |
| | | <hr/> |
| | | \$20,755 |
| Farm Lands, 5,988 acres | | 33,810 |
| | | <hr/> |
| | | \$54,565 |
| | | <hr/> |
| | | (£10,913) |

Upon the prospects of the development of the country and the sale of further lots, the Land Commissioner of the Company recently reported to the Board as follows :—

“ The season for seeding has been remarkably good. It is
“ about a week later than last year. There have been most
“ beneficial rains since the seed was got in, and so far everything
“ is most encouraging. A very much increased area has been
“ sown. Immigration is very far ahead of last year, and the
“ largest we have had so far since 1882. A majority of those
“ arriving are of a good class. The great bulk are settling upon
“ Government free lands, and the majority are remaining in
“ Manitoba. The rapid settlement of the free lands will materially
“ help the sale of ours and other private lands.”

The facilities now afforded by the main line of the Canadian Pacific Railway open to the Pacific and by branch lines in various parts of the Province of Manitoba can hardly fail to prove beneficial to settlers and to produce increased confidence in the future of the country.

In conclusion, the Governor and Committee are glad to report that satisfactory progress is being made in improving the

system of transport and the mode of conducting the Company's trade under the altered circumstances of the country, and they consider that the prospects of the gradual realization of its landed property are encouraging.

On behalf of the Board,

E. COLVILLE,

Governor.

(1.) TRADING ACCOUNT.

Exhibiting the Profit and Loss results during Outfit 1885; namely, from 1st June, 1885, Dr. Cr.

| | £ | s. | d. | | £ | s. | d. |
|---|---------|----|----|--|---------|----|----|
| To Goods, Provisions, Stores, Supplies, as per Inventory, 1st June, 1885 | 256,899 | 18 | 7 | By Proceeds of Furs and other Imports into Great Britain, the Returns of this Outfit, after deducting Freight, Dock Charges Cartage, Fire Insurance, &c. | 263,419 | 3 | 8 |
| " Goods (the produce of the country), Debts, and other Articles, as per Inventory, 1st June, 1885 | 389,651 | 11 | 4 | " Furs on hand, as per Valuation | 25,220 | 6 | 9 |
| " Goods, Provisions, and Stores purchased in England, supplied for Outfit 1885 | 117,712 | 15 | 9 | " Proceeds of Goods realized in the Territory, and other credits incidental to carrying on the Trade of Outfit 1885 | 67,159 | 2 | 5 |
| " Amount written off as depreciated value of Ships and balance of Ships' Accounts | 1,487 | 6 | 0 | " Discount on Insurance Premiums | 1,223 | 15 | 11 |
| " Purchase of Furs and Country Provisions in the Territory, and Transport, Insurance, and other debits incidental to carrying on the Trade of Outfit 1885 | 63,859 | 8 | 7 | " Goods, Provisions, Stores, and Supplies, as per Inventory, 31st May, 1886 | 243,382 | 1 | 8 |
| " Fire Insurance Fund | 2,000 | 0 | 0 | " Goods (the produce of the country), Debts and other Articles, as per Inventory, 31st May, 1886 | 367,549 | 0 | 3 |

Expenses incurred in London, 1st June, 1885,
to 31st May, 1886, viz. :—

| | | | |
|---|----------|----|---|
| Governor and Committee | 3,500 | 0 | 0 |
| Salaries of Secretary and other Officers | 4,033 | 10 | 9 |
| Wages of Labourers em- ployed in the Ware- house, and Sundry Charges | 3,098 | 11 | 4 |
| Rent and Taxes of Offices in Leadenhall Street, and Warehouse in Lime Street | 2,156 | 4 | 2 |
| Miscellaneous Expenses, including Agency in Scotland, Law Charges, Stationery, Printing, &c. | 1,299 | 3 | 9 |
| | 14,087 | 10 | 0 |
| „ Salary, &c., to Local Officers | 1,000 | 0 | 0 |
| „ Pensions and Donations in London and abroad | 750 | 0 | 0 |
| „ Balance carried forward, being Profit on Outfit 1885 | 120,505 | 0 | 5 |
| | £967,953 | 10 | 8 |

(2.) APPROPRIATION ACCOUNT.

Dr. *Outfit 1885, and previous Outfits.* Cr.

| | | | | | |
|---|---------------|-------|---|---------------|-------|
| To Officers, for their share of Profits, after deducting Interest | £ 30,713 10 8 | s. d. | By Balance, being Profit on Outfit 1885, brought forward | £ 120,505 0 5 | s. d. |
| „ Hudson's Bay Company, for the Balance .. | 91,262 1 9 | s. d. | „ Profit on realization of outstanding accounts, viz.:— Outfit, 1884 | 1,470 12 0 | s. d. |
| £121,975 12 5 | | | £121,975 12 5 | | |

(3.) MARINE INSURANCE FUND.

Dr.

31st May, 1887.

Cr.

| 1887. | | £ | s. | d. | 1886. | | £ | s. | d. |
|---------|---|--------|----|----|---------|--|---------|----|----|
| May 31. | To Loss of Ship "Cam Owen" and Cargo, in respect of Insurances by the Company | 3,425 | 16 | 6 | June 1. | By amount of Fund at this date | 48,260 | 2 | 2 |
| | .. Sundry Shipments ditto. .. | 1,288 | 11 | 6 | | | | | |
| | .. Balance | 47,638 | 18 | 0 | May 31. | .. Amount of Premiums on Insurances by the Company for Account of the Fur Trade from 1st June, 1886, to 31st May, 1887 | 2,242 | 19 | 11 |
| | | | | | | .. Interest for one year | 1,850 | 3 | 11 |
| | | | | | | | £52,353 | 6 | 0 |

HUDSON'S BAY COMPANY.

(4.) PROFIT AND LOSS.

Dr.

1st June, 1886, to 31st May, 1887.

Cr.

| | £ | s. | d. | | £ | s. | d. |
|--|----------|----|----|--|----------|----|----|
| To Interest on Officers' and Servants' Deposits | 1,994 | 18 | 2 | By Profit on Fur Trade brought to credit this year | 91,262 | 1 | 9 |
| „ Balance of Interest on Fur Trade Account .. | 972 | 9 | 11 | „ Interest, Dividends, and Sundries .. | 4,273 | 14 | 9 |
| „ Interest on Marine Insurance Fund .. | 1,850 | 3 | 11 | | | | |
| „ Income Tax .. | 2,178 | 13 | 4 | | | | |
| „ Sundry Colonial Charges not chargeable to Trading Account .. | 1,082 | 1 | 3 | | | | |
| „ Miscellaneous Expenses .. | 1,682 | 8 | 2 | | | | |
| „ Balance carried down, being Net Profits .. | 85,775 | 1 | 9 | | | | |
| | £95,535 | 16 | 6 | | £95,535 | 16 | 6 |
| | | | | | | | |
| To Balance of undivided Profits, 31st May, 1887 | £117,898 | 18 | 7 | By Balance brought down .. | £85,775 | 1 | 9 |
| | | | | „ Balance of undivided Profits, 1st June, 1886 .. | 32,123 | 16 | 10 |
| | | | | | £117,898 | 18 | 7 |

(5.) LAND ACCOUNT.

Dr. *Exhibiting the Cash Receipts and Disbursements, from 1st April, 1886, to 31st March, 1887.* Cr.

| 1887. | £ | s. | d. | 1886. | £ | s. | d. |
|---|--------|----|----|--|---------|----|----|
| Mar. 31. To Amount paid to Dominion Government on account of Surveys made since 1882 .. | 8,219 | 3 | 7 | April 1 By Balance of Account to 31st March, 1886 .. | 6,514 | 1 | 3 |
| Charges on Land in Manitoba and the North-West Territory to date :— | | | | 1887. | | | |
| Salaries of Land Commissioner and Clerks .. | £2,844 | 18 | 5 | Mar. 31 .. Cash received at Winnipeg in respect of Sales of Land as follows :— | | | |
| Municipal and other Taxes .. | 9,905 | 18 | 2 | Winnipeg .. | £6,295 | 6 | 8 |
| Surveyors inspecting and reporting upon Lands .. | 741 | 17 | 6 | West Lynne .. | 13 | 11 | 3 |
| Repairs and Improvements to Buildings .. | 1,078 | 7 | 7 | Rat Portage .. | 144 | 10 | 3 |
| Travelling and Office Expenses .. | 1,948 | 12 | 3 | Edmonton .. | 207 | 6 | 7 |
| Printing and Advertising .. | 379 | 4 | 8 | Prince Albert .. | 33 | 2 | 1 |
| Legal and Miscellaneous Expenses .. | 1,542 | 14 | 10 | Fort Qu'Appelle .. | 199 | 2 | 11 |
| | 18,441 | 13 | 5 | Newdale .. | 12 | 6 | 7 |
| Charges on Land in British Columbia to date for Taxes and Miscellaneous Expenses .. | 388 | 9 | 0 | Rosemount .. | 26 | 0 | 9 |
| Company's share of Loss by Fire of Riding Mountain Mills and Rat Portage Shops .. | 1,168 | 16 | 7 | Nepigon .. | 10 | 5 | 6 |
| Balance .. | 6,962 | 16 | 0 | Portage la Prairie .. | 23 | 19 | 5 |
| | | | | Farming Lands in Manitoba and the North West Territory .. | 12,282 | 17 | 2 |
| | | | | Interest on unpaid Instalments .. | 19,248 | 9 | 2 |
| | | | | | 6,761 | 7 | 8 |
| | | | | Cash received at Victoria, in respect of Sales of Land in British Columbia :— | | | |
| | | | | Instalments on Sales .. | 1,485 | 9 | 8 |
| | | | | Interest on unpaid Instalments and Rents .. | 1,171 | 10 | 10 |
| | | | | | 2,657 | 0 | 6 |
| | | | | | £35,180 | 18 | 7 |

(6.) BALANCE-SHEET.

Dr.

31st May, 1887.

Cr.

| | £ | s. | d. | | £ | s. | d. |
|---|-----------|----|----|---|-------------------|----------|----------|
| To Capital | 1,300,000 | 0 | 0 | By Cash in hand, and on Deposit | 140,409 | 10 | 2 |
| " Amount due to Officers and Servants on their Deposits | 94,119 | 0 | 0 | " Sundry Investments including Buildings at Winnipeg and North West Territory .. | 144,593 | 10 | 0 |
| " Notes in circulation in Hudson's Bay .. | 514 | 6 | 0 | " Amount due by Officers and Servants .. | 5,646 | 7 | 8 |
| " Land Sales, Balance to 31st March, 1887 .. | 6,962 | 16 | 0 | " Amount invested in the Fur Trade (exclusive of Goods in course of Shipment), viz.: | | | |
| " Unpaid Dividends, and other Balances (exclusive of amount due in respect of Goods in course of Shipment on 31st May, 1887, not included in Assets <i>per contra</i>) | 2,643 | 5 | 2 | Fleet of Ships and Steamers employed in the trade | 10,472 | 4 | 9 |
| " Marine Insurance Fund | 47,638 | 18 | 0 | Valuation of Trading Goods, Provisions and Stores in hand, and advances for carrying on the trade 868,441 | 3 | 9 | |
| " Undivided Profits 31st May, 1887 | 117,898 | 18 | 7 | | 878,913 | 8 | 6 |
| | | | | " Balance, represented by the remaining Property of the Company | 400,214 | 7 | 5 |
| | | | | | <u>£1,569,777</u> | <u>3</u> | <u>9</u> |

Examined and found to be in due accordance with the Books, Accounts, and Vouchers of the Company,

WM. QUILTER, *Auditor*.
(QUILTER, WELTON & Co.)

5, Moorgate Street,
8th June, 1887.



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1887
